



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
OCTOBER 1 – DECEMBER 31, 2015

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1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending December 31, 2015, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and also includes activities of its major sub-contractors.

2.0 White Rose Project Employment Summary

In Q4 2015, a total of 1111 people were reported employed on Husky's White Rose Operations, of which 363 were located offshore. The total employment number includes people employed with Husky and its contractors and includes North Amethyst and South White Rose Extension (SWRX). The offshore number for this reporting period includes personnel from GSF Grand Banks and the SeaRose FPSO.

Of the total personnel, 1025, or 92 percent, were residents of Newfoundland and Labrador when hired, while another 62, or 6 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 217, or approximately 20 percent, of the total workforce (Table 2.1). Note that with offshore operations ceasing with the GSF Grand Banks there is a decline in this quarter of persons reported by Transocean and specialized contractors associated with drilling including Schlumberger, FI Oilfield Services, Terrapure Environmental and Weatherford.

Employment for the White Rose Extension Project is reported separately in Section 3.0

Table 2.1 - Employment Summary by Location, as of December 31, 2015



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q4 2015

Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Europe	0	0	0	0	0	0	1	0	1	1	0	1
Newfoundland - Offshore	327	11	338	25	0	25	0	0	0	352	11	363
Newfoundland - Onshore	484	197	681	32	5	37	14	0	14	530	202	732
Nova Scotia	0	0	0	0	0	0	0	0	0	0	0	0
USA	5	1	6	0	0	0	6	3	9	11	4	15
Total	816	209	1,025	57	5	62	21	3	24	894	217	1,111

3.0 White Rose Extension Project Employment Summary

As of December 31, 2015, 147 people were reported employed on Husky's White Rose Extension Project, representing approximately 37,000 person hours. The decline in employment for this period is the result of project deferral and the subsequent winding down of some activities. The number of females employed on White Rose Extension Project operations was 35, or approximately 24 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by Arup Canada Inc. for continued CGS engineering design work. Husky hours are related to project management and engineering design support. Hours reported by Edward Collins, Garda World and Pennecon represent graving dock maintenance activities. The hours reported by SNC/Dragados represent CGS constructability reviews with Arup.

Eighty-three percent of the person hours related to detailed engineering of the CGS took place in Newfoundland and Labrador in this quarter (see Arup in Table 3.1) and, overall, 89 percent of person hours expended on the project occurred in Newfoundland and Labrador.

Table 3.1 Person Hours by Contractor – White Rose Extension Project Employment



Atlantic Region Contractor Stats

Hours By Contractor
WREP - Q4 2015

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	14,093	0	14,093	167	2,810	17,070
Edward Collins	534	0	534	0	0	534
Garda World	2,316	0	2,316	0	0	2,316
Husky	8,556	0	8,556	102	932	9,590
Pennecon	596	0	596	0	0	596
SNC Lavalin/ Dragados	2,457	0	2,457	12	0	2,469
Wood Group Mustang	4,361	0	4,361	0	0	4,361
Total	32,913	0	32,913	281	3,742	36,936

Table 3.2 Head Count by Contractor and Residency – White Rose Extension Project**Atlantic Region Contractor Stats****Head Count By Contractor**

WREP - Q4 2015

Contractor	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Arup Canada Inc.	12	9	21	6	1	7	31	5	36	49	15	64
Edward Collins	6	0	6	0	0	0	0	0	0	6	0	6
Garda World	0	5	5	0	0	0	0	0	0	0	5	5
Husky	16	4	20	0	0	0	2	0	2	18	4	22
Pennecon	11	5	16	0	0	0	0	0	0	11	5	16
SNC Lavalin/ Dragados	8	1	9	0	0	0	0	0	0	8	1	9
Wood Group Mustang	20	5	25	0	0	0	0	0	0	20	5	25
Total	73	29	102	6	1	7	33	5	38	112	35	147

Residents of NL comprised of 69 percent of the White Rose Extension Project work force, a 3 percent increase from last quarter; and residents of Canada comprised five percent of the work force (Table 3.2).

The majority of positions in Q4 2015 were associated with engineering supported by administration, management, and technicians/technologists (Table 3.3).

Table 3.3 Summary by Occupation and Location of Work – White Rose Extension Project**Atlantic Region Contractor Stats****Head Count By Location and Occupation**


WREP - Q4 2015

All Locations

Occupation	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Administration & Clerical	1	14	15	1	0	1	0	0	0	2	14	16
Engineers	25	4	29	4	1	5	22	4	26	51	9	60
Management	13	2	15	1	0	1	10	1	11	24	3	27
Other Field Services	2	4	6	0	0	0	0	0	0	2	4	6
Professionals	8	2	10	0	0	0	0	0	0	8	2	10
Skilled Trades	9	1	10	0	0	0	0	0	0	9	1	10
Technicians & Technologists	15	2	17	0	0	0	1	0	1	16	2	18
Total	73	29	102	6	1	7	33	5	38	112	35	147

Note: In Q4 2015, Husky employed 5 co-op students on the WREP (2 females).

4.0 Procurement Summary (Contracts > \$250,000)

Husky East Coast Operations Procurement Summary			2015 Q4					
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total	
NEW CONTRACTS								
MODU Henry Goodrich	Transocean Canada Drilling Services	St. John's	O	93%	2%	5%	100%	
Cost Range Code Legend								
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$					
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$	N = 75,000,001 - 100,000,000 \$					
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$	O = Over 100,000,001 \$					
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$						

5.0 Exploration

The Exploration spend for the fourth quarter of 2015 was approximately \$2.84 million, with a content breakdown of 83.31 percent Newfoundland & Labrador, 2.56 percent Other Canadian, and 14.13 percent Foreign. This equates to expenditures totalling approximately \$2.37 million, Newfoundland & Labrador, \$72,800 Other Canadian, and \$402,000 Foreign (Table 7.1).

The Exploration total to date spend is approximately \$440.35 million, with a content breakdown of 45.96 percent Newfoundland & Labrador, 42.36 percent Other Canadian, and 11.68 percent Foreign. This equates to expenditures totalling approximately \$202.36 million Newfoundland & Labrador, \$186.54 million Other Canadian, and \$51.44 million Foreign (Table 7.1).

6.0 Photographs



Husky hosts its annual Diversity Forum at the Easter Seals House

– November 2015



Husky celebrates 10 years of production from the *SeaRose* – November, 2015



Husky donates Christmas stockings to Daffodil Place – December, 2015



Husky work term students tour the Virtual Marine Technologies (VMT) facility

– December 2015